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Nathan Sebesta, owner of Access Wealth Strategies in Artesia, New Mexico, toured with Bri Bagwell and the Banned as the lead guitarist from 2010 to 2017. *Courtesy photo*

Guitars are cool, but how do they play as investments?
By Rob Burgess
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As a financial advisor and a guitarist for over 20 years, Nathan Sebesta said he's seen and personally experienced the emotional and artistic value of rare guitars.

Sebesta, the owner of Access Wealth Strategies in Artesia, New Mexico, toured with country group Bri Bagwell and the Banned as the lead guitarist from 2010 to 2017.

Nowadays, he mainly plays at church and around campfires. He said he still maintains a small guitar collection, but not necessarily as part of any portfolio.

"While I don't view my own collection as an investment, these instruments absolutely can serve as a small-scale alternative asset — especially for those with

a genuine passion for music and craftsmanship," he said.

Matt Smith, founder and lead advisor of Concert Financial Planning in Houston, started playing guitar at 9 years old. At its peak, his collection numbered 17 stringed instruments and included electric and acoustic guitars and basses. He said the desire to accumulate happens gradually. He now has one client who is just starting to collect guitars.

"Typically, the collecting starts by accident, where we just accumulate things we love," he said. "At some point, we realize we have a collection and may be more thoughtful about what we add to it."

While vintage Fenders, Gibsons and Martins can be worth thousands or even millions, advisors caution that the market is wildly unpredictable and that collecting guitars should be first and foremost for the love of the instruments.

The 'holy grails' maintain value

Once a person starts collecting, they often specifically seek out "holy grail" guitars, which tends to drive up prices and keep them there.

Highly sought-after makes and models include the 1959 Gibson Les Paul "Burst," 1950s Fender Stratocasters and pre-World War II Martin acoustics.

These remain prized due to limited supply, historical significance and tonal quality, said Sebesta.

"Some clients collect guitars in the same way others collect art or wine — driven by appreciation more than speculation," he said.

The most expensive guitar ever sold at auction was Kurt Cobain's 1959 Martin D-18E, used during Nirvana's "MTV Unplugged" performance. The instrument fetched $6,010,000 in 2020 at Julien's Auctions in Los Angeles.

"Guitars played by legendary musicians or instruments that represent a turning point in guitar design can be considered holy grails, and they often command the highest prices," said Colleen Boyle, managing director and head of business development and philanthropic strategy at London-based The Fine Art Group, which is the largest advisory, private sales and appraisal firm globally.

Guitar values hinge heavily on provenance and exposure, often more than other collectibles, said Mike Anderson, a financial planner with AdviceOnly in San Diego. A prime example, he said, is Fender's 1968 Paisley Telecaster, a short-lived release plagued by chipping cling-foil.

Originally a commercial flop, these now fetch $8,000 to $20,000 due to rarity. Their value soared when country virtuoso Brad Paisley made the Paisley Tele his signature, with his new Custom Shop "Lost Paisley" model priced at $7,000.

GECKO

Mike Anderson, a financial planner with AdviceOnly in San Diego, recently toured the Taylor Guitars factory in El Cajon, California, where he saw one of the new run of the "Koi Fish" acoustics being produced.
Courtesy photo

Similarly, Anderson said Taylor Guitars' "Living Jewels" Koi Fish acoustic, one of about 100 made around 2000, skyrocketed in popularity after Taylor Swift received one as a gift in 2011 and then played it in her 2022 "Anti-Hero" video and the 2023 to 2025 Eras Tour. This drove collector demand and estimated values to $5,000 to $10,000.

The cost is not just in the guitar, but also the upkeep
Partially because of the continued expense involved, Smith said he didn't recommend non-players jump into guitar collecting.

"There is so much risk involved in terms of whether whatever is currently important and valuable will remain so," he said. "In addition, there can be upkeep and logistics."

As a guitar player and teacher, Anderson said he has seen growing interest in classic guitars as collectibles. But he cautions against viewing them as sound investments compared to other assets like watches or classic cars. He said his recent tour of the Taylor Guitars factory in El Cajon, California reinforced what he's long known: A quality instrument's sound improves with age, but only with meticulous care.

For investors, this means costly maintenance — climate-controlled storage at 45% to 55% humidity and 65 degrees to 75 degrees Fahrenheit is "non-negotiable, especially for high-value pieces."

"The bigger the collection, the steeper the expense," he said.

Guitars can be valuable, but don't collect for that reason
Carman Kubanda, a financial planner with Innovative Wealth Building in California, Maryland, focuses on retirement income and tax reduction strategies for high net worth clients. One of his clients invests in rare and vintage guitars.

"The types of clients who buy these are usually guitar players themselves but understand them primarily as an incredible piece of art, or even a part of musical history, and secondly as an investment," he said. "These can turn out to be great investments and are a great store of value at the least."

Unlike cars or watches, a guitar's value can hinge on who played it, making trends unpredictable.

"While I cherish guitars as musical and historical treasures, I'd advise clients to prioritize passion over profit," said Anderson. "Their beauty lies in playability and legacy, not guaranteed returns."

Smith said he'd rather see non-guitar players collect items that they are personally interested in.

"For guitar players, it's OK to collect but don't use it as an excuse to buy everything that catches your eye," he said.

Instead of buying guitars as investment pieces, Smith said he recommends buying guitars that will be played. Normal wear doesn't necessarily hurt the resale value.

"Future buyers often love 'aged' guitars, to a reasonable degree, and it's just tragic to buy an instrument and put it away in a case forever as an investment," he said.

Where and how to buy and sell investment guitars

For the dedicated collector, there are many options for buying and selling these instruments. As both a guitarist and an advisor, Jason Gilbert, founder and managing partner of RGA Investment Advisors in Great Neck, New York, said he has long admired vintage guitars not just for their tone and craftsmanship but also for their unique role as passion-fueled assets. He said he would advise approaching guitars with the same diligence as any alternative investment: focusing on provenance, condition and scarcity; buying from reputable dealers or auctions; and considering independent authentication.

"Guitars can straddle the line between art and instrument, offering utility, joy and potentially, long-term value," he said.

For those considering guitar collecting as part of a portfolio, Sebesta said he advises starting with what players already know and love, buying through reputable dealers or auction houses and ensuring proper insurance and authentication.

"Platforms like Reverb or The Music Zoo can be great for sourcing, but nothing beats a knowledgeable in-person network to avoid counterfeits and inflated pricing," he said.

Smith said he has used Reverb quite a bit, but there is a trade-off in the convenience and reach of using a well-known site that can display gear worldwide in terms of selling and other fees.

As guitars are speculative investments, their condition, originality and authenticity are paramount, Anderson said.

"Many are modified or faked, requiring expert appraisal," he said.

Kubanda said investors should make sure to find a shop that specializes in high-end and vintage guitars and has a great track record and reviews. He said clients

should also keep in mind guitars are typically taxed at a higher capital gains tax rate because they are collectibles.

To ensure collectors aren't buying knock-offs, Smith said he would only recommend buying from a known, respected dealer.

"Venture into the more opaque online world at your own risk," he said.